RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL HEARINGS SECTION

OIL AND GAS DOCKET NO. 08-0276037

IN THE SPRABERRY (TREND AREA) FIELD, STERLING COUNTY, TEXAS

FINAL ORDER APPROVING
THE APPLICATION OF CLAYTON WILLIAMS ENERGY, INC.
FOR AN EXCEPTION TO 16 TAC §3.32
FOR THE FOSTER-MCDONALD LEASE, WELL NO. 601
SPRABERRY (TREND AREA) FIELD
STERLING COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on June 01, 2012, the presiding examiners have made and filed a report and recommendation containing findings of fact and conclusions of law, for which service was not required; that the proposed application is in compliance with all statutory requirements; and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the examiners' report and recommendation, the findings of fact and conclusions of law contained therein, and any exceptions and replies thereto, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that Clayton Williams Energy, Inc. is hereby granted an exception to 16 TAC §3.32 for the Foster-McDonald Lease, Well No. 601 (API No. 42-431-33311), in the Spraberry (Trend Area) Field, Sterling County, Texas. Clayton Williams Energy, Inc. is authorized to flare up to 342 MCFGPD in its Foster-McDonald Lease, Well No. 601, through October 2012. The authority is granted, provided all production is reported on the appropriate Commission forms.

The operator shall file for each well the Statewide Rule 32 Exception Data Sheet and, shall file at the same time, the appropriate Commission required administrative Statewide Rule 32 Exception gas flaring fee.

Done this 11th day of September, 2012.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated September 11, 2012)